

APR. 3.2002 4:05PM VEH & ENG COMP PGM (202)565 2057

NO.221 P.2/3

11/22/89

M. 22 1.00

Mr. Buddy Cox
General Manager
Public Transportation Division
Department of Transportation
City of High Point
716 West Kivett Drive
High Point, North Carolina 27260

Dear Mr. Cox:

As you requested in a telephone conversation on July 31, 1989 with a member of my staff, this letter states the U.S. Environmental Protection Agency's (EPA's) answer to your July 12, 1989 letter which asks what emission standards are applicable to 1990 model year heavy-duty diesel engines (HDDEs) installed in new buses not delivered until 1991. Mr. John Guy of my staff explained the reasons for the delay in our response during a telephone conversation of November 20, 1989.

The sale of 1990 model year heavy-duty diesel engines for use in 1991 model year heavy-duty vehicles is not in itself a violation of the Clean Air Act or of any regulations under the Act. However, EPA regards "stockpiling" of engines to avoid compliance with later, more stringent emission standards as circumvention of the requirements of the Act. Manufacturers involved in such stockpiling could be liable for civil penalties under the Act. Thus, an engine manufacturer who sells engines to a vehicle manufacturer cannot sell engines in a current model year for the purpose of having them installed in a future model year's vehicles when the engine sale is beyond that required to meet normal production lead time requirements, and is intended to avoid complying with the more stringent emission requirements of the future model year. Similarly, an engine manufacturer who installs its engines into its own vehicles can not install current model year engines in future model year vehicles when such engine installation exceeds that needed to meet normal lead time requirements, and is intended to avoid complying with emission requirements which would otherwise apply to the model year in which the engine is installed.

APR. 3.2002 4:05PM VEH & ENG COMP PGM (202)565 2057

NO.221 P.3/3

-2-

I hope this is an adequate response to your question. If you have any further questions, please feel free to contact Mr. Guy at (202) 382-4104.

Sincerely yours,

Mary T. Smith, Chief
Manufacturers Programs Branch
Manufacturers Operations Division

cc:

J. Guy

M. Smith

EN-340F:J.Guy:lm:rm 202,FC:x4104:A.kruger 1;Hipoint.pt:11/20/89